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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/848,639	05/03/2001	Shelton E. Harrison JR.	P27587	7835

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EXAMINER	
NGUYEN, NGA B	

ART UNIT	PAPER NUMBER
3692	

SHORTENED STATUTORY PERIOD OF RESPONSE	NOTIFICATION DATE	DELIVERY MODE
3 MONTHS	01/19/2007	ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Notice of this Office communication was sent electronically on the above-indicated "Notification Date" and has a shortened statutory period for reply of 3 MONTHS from 01/19/2007.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

gbpatent@gbpatent.com
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Office Action Summary

Application No.

09/848,639

Applicant(s)

HARRISON ET AL.

Examiner

Nga B. Nguyen

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– The MAILING DATE of this communication appears on the cover sheet with the correspondence address –

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.138(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 August 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-82 is/are pending in the application.
- 4a) Of the above claim(s) 1-20, 22-53, 58, 59, 62, 70-74 and 78-82 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 21, 54-57, 60, 61, 63-69 and 75-77 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____.

DETAILED ACTION

1. This Office Action is the answer to the Response to Election/Restriction filed on August 14, 2006, which paper has been placed of record in the file.
2. Claims 21, 54-57, 60, 61, 63-69, and 75-77 are elected for reconsideration.

Response to Arguments/Amendment

3. Applicant's election with traverse of Group III (claims **21, 54-57, 60, 61, 63-69, and 75-77**), in the reply filed on August 14, 2006 is acknowledged.

The traversal is on the ground that it would be no serious burden on the Examiner to examine all of the pending claims. This is not found persuasive because the Examiner has to perform search on many different classes, therefore, it would be serious burden on the Examiner to examine all of the pending claims. The requirement is still deemed proper and is therefore made FINAL.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. Claim 21, 56, 57, 64-68, 75, and 76 are rejected under 35 U.S.C. 102(b) as being anticipated by Walker et al (hereinafter Walker), U.S. Patent No. 5,794,207.

Regarding to claim 21, Walker discloses a method for reducing the risk of non-payment by Internet auction bidders, said method comprising the following steps:

(a) providing a server through which a first Internet auction may be conducted (figure 1 and column 11, lines 40-50, central controller 200);

(b) submitting a first source of funds prior to the close of said first Internet auction, said first source of funds being associated with a first bidder (column 13, lines 63-67, Buyer account 297);

(c) submitting electronic funds transfer information pertaining to a first receiving account prior to the close of said first Internet auction, said first receiving account being associated with a first seller (column 14, lines 1-5, Seller account 298);

(d) comparing the funds available through said first source of funds to a threshold number (column 17, lines 27-30, CPO is checked to see that sufficient credit is available to cover the stated price of the CPO);

(e) finding that the funds available through said first source of funds are not less than said threshold number (column 17, lines 27-30, CPO is checked to see that sufficient credit is available to cover the stated price of the CPO); and

(f) causing two events to occur essentially simultaneously, said two events being (i) the closure of said first Internet auction and (ii) the processing of payment for said first Internet auction (column 17, lines 27-45).

Regarding to claim 56, Walker discloses a method for conducting an online auction, the method comprising the steps of:

providing a server configured to host an online auction (figure 1 and column 11, lines 40-50, central controller 200);

providing a deposit account into which a first entity can make a deposit of funds (column 13, lines 63-67, Buyer account 297);

receiving electronic funds transfer information for a second entity (column 14, lines 1-5, Seller account 298); and

after an auction has closed, transferring funds from the deposit account of a first entity to an account specified by a second entity using electronic funds transfer information provided by the second entity (column 21, lines 1-23).

Regarding to claim 57, Walker further discloses wherein at least one of the following is true: said source of funds is a credit card account or a deposit account; said threshold number comprises a price for the item listed in said first Internet auction; and said processing of payment further comprises electronically transferring funds to said first receiving account (column 13, lines 63-67, credit card account).

Regarding to claim 64, Walker discloses a method for providing electronic payment services to users of an Internet auction site, the method comprising the steps of:

providing a server operable to receive a first entity's auction site user account information; providing the first entity with a deposit account uniquely related to the first entity's auction site user account (figure 1 and column 11, lines 40-50, central controller 200; column 13, lines 63-67, Buyer account 297);

providing a server operable to receive second entity's auction site user account information; retaining electronic funds transfer information that is uniquely related to the second entity's auction site user account (column 14, lines 1-5, Seller account 298);

providing a server configured to receive information indicating that an Internet auction has closed; and providing a computer program that electronically transfer funds from the first entity deposit account to the second entity after an auction has closed and the first entity is the winning bidder in an auction and the second entity is the seller (column 21, lines 1-23).

Regarding to claim 65, Walker discloses a method for providing electronic payment services to users of an Internet auction site, the method comprising the steps of:

providing a server operable to register a first entity, the first entity being an auction site bidder; opening a deposit account specific to the first entity; providing a server operable to monitor the status of an Internet auction (figure 1 and column 11, lines 40-50, central controller 200; column 13, lines 63-67, Buyer account 297);

at the close of the Internet auction, providing funds from the first entity's deposit account to a second entity where the second entity is a seller on an Internet auction site and the first entity is the winning bidder (column 21, lines 1-23).

Regarding to claim 66, Walker further discloses conducting a preauthorization of a charge to the first entity's credit card; and charging the first entity's card to provide funds to the first entity's deposit account (column 17, lines 27-47).

Regarding to claim 67, Walker further discloses providing the first entity with the

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option of obtaining a preferred bond or standard bond (column 21, lines 1-5).

Regarding to claim 68, Walker further discloses wherein the step of providing funds to the second entity comprises transferring the funds from the first entity's deposit account to the second entity immediately after the auction closes (column 21, lines 10-12).

Regarding to claim 75, Walker discloses an auction method comprising the following steps:

prior to closing of a first online auction, receiving a first application from a first entity, said first application comprising payment or credit information; opening or verifying a first account related to said first entity (column 13, lines 63-67, Buyer account 297); and

upon closing of said first online auction, immediately charging said first account when said first entity is a winning bidder in said first auction (column 21, lines 1-23).

Regarding to claim 76, Walker discloses at least one step selected from the group consisting of: obtaining collateral from said first entity in relation to said first account (column 13, lines 63-67, Buyer account 297); or displaying a first image on a computer network evidencing that said first entity has opened said first account.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and

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the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 54, 55, 60, 61, 63, 69, and 77 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al (hereinafter Walker), U.S. Patent No. 5,794,207.

Regarding to claim 54, Walker discloses a method for conducting an internet auction having the auction bonded through the auction site, the method comprising the steps of:

providing a first server operable to host an online auction, the server in communication with a first database having information relating to whether bonds are in effect (column 13, lines 63-67, central controller stores Buyer account 297).

Walker does not disclose displaying an image in an area on the online auction under exclusive control of operator of the first server, the image evidencing that at least one of the parties to the auction is bonded. However, displaying an image in an area on the online auction is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of providing more convenient that the user can easily recognize that the auction's party is bonded.

Regarding to claim 55, Walker does not disclose providing an informational link between the first database and a second database, whereby the information in the two databases is continually updated to mirror each other. However, providing an informational link between databases and continually updating the databases are well known in the art. Therefore, it would have been obvious to one with ordinary skill in the

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art at the time the invention was made to modify Walker's to adopt the well-known features above, for the purpose of providing more convenient in accessing and updating databases.

Regarding to claim 60, Walker discloses a system for bonding an auction listing on an online auction site, the system comprising:

a server operable to host an online auction site, the server being connected by a computer network to a client computer, the server operable to receive bond or guaranty request information from the client computer (figure 1 and column 11, lines 40-50, central controller 200);

a database connected to the server, the database adapted to receive bond or guaranty request information; a first computer program operable to process bond or guaranty request information (column 13, lines 63-67, Buyer account 297);

Walker does not disclose an unique identifier displayed by the server indicating the existence of bond or guaranty coverage for a given auction listing. However, displaying an unique identifier by the server is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of providing more convenient that the user can easily recognize that the auction's party is bonded.

Regarding to claim 61, Walker does not disclose wherein the unique identifier appears in HTML pages served by the server computer. However, the unique identifier appears in HTML pages is well known in the art. Therefore, it would have been obvious

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to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of providing more convenient that the user can easily recognize that the auction's party is bonded.

Regarding to claim 63, Wallker discloses a method for conducting an Internet auction, the method comprising the steps of:

providing a server operable to host an Internet auction (figure 1 and column 11, lines 40-50, central controller 200);

providing a database adapted to retain information relating to bonding of users of an Internet auction site (column 13, lines 63-67, Buyer account 297).

Walker does not disclose discounting the closing price of the auction when the winning bidder in the auction is bonded. However, discounting the closing price of the auction is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of encouraging the bidders to submit the higher price to become a winning bidder.

Regarding to claim 69, Walker discloses an auction method comprising the following steps:

providing either a guarantee for a transaction involving a first entity or a bond to said first entity (column 13, lines 63-67, Buyer account 297);

providing a mechanism whereby a second entity can file a claim for coverage under said guarantee or said bond (column 14, lines 1-5, Seller account 298);

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receiving payment from a third entity for an advertisement so as to offset at least a portion of the cost of said guarantee or said bond (column 20, lines 15-20, a flat fee is charged for every CPO);

conducting an auction (column 18, lines 15-30); and

Walker does not disclose indicating the existence of said guarantee or said bond when said first entity is a participant in said first auction. However, providing an indication is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of providing more convenient that the user can easily recognize that the auction's party is bonded.

Regarding to claim 77, Walker does not disclose at least one step selected from the group consisting of: providing a mechanism through which a first seller can provide a discount when a first bidder has opened an account or has obtained a bond; and/or providing a mechanism through which a first seller can reject a first bid when said first bidder has not opened an account or has not obtained a bond. However, providing a mechanism through which a first seller can reject a first bid when said first bidder has not opened an account or has not obtained a bond is well known in the art. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Walker's to adopt the well-known feature above, for the purpose of minimizing the risk for seller.

Conclusion

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8. Claims 21, 54-57, 60, 61, 63-69, and 75-77 are rejected.
9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard E. Chilcot can be reached on (571) 272-6777.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (571) 272-3600.

10. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

C/o Technology Center 3600

Washington, DC 20231

Or faxed to:

(703) 872-9306 (for formal communication intended for entry),

or


(571) 273-0325 (for informal or draft communication, please label "PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Knox building, 501 Dulany Street, Alexandria, VA, First Floor (Receptionist).

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NGA NGUYEN
PRIMARY EXAMINER

December 11, 2006